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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 01/07/08

INDEX:

- (1) Poll on political situation, global warming (Mainichi)
- (2) Scope column: LDP's Machimura faction concentrates efforts on strengthening capabilities by enlisting think-tank for policy proposals; building network of contacts in U.S., Europe, China; creating own website; and broadcasting its general meeting live (Tokyo Shimbun)
- (3) Next Lower House election: LDP, DPJ aiming at enemy's strong constituencies; LDP to place emphasis on organized votes, DPJ on urban areas (Mainichi)
- (4) Eco-war: Japan hard-pressured to come up with measures against climate change (Asahi)
- (5) Farm produce growing areas could change drastically nationwide due to global warming: Agriculture ministry to speed up studies on countermeasures; Tangerines go off more quickly while in storage; Vegetable prices collapse due to concentrated shipment time (Tokyo Shimbun)
- (6) Japan-U.S. defense interests (Part B) (Sentaku)
- (7) Next midterm defense buildup plan to be frontloaded (Nikkei)
- (8) U.S. nuclear-powered submarines made 48 port calls in Japan in 2007; Okinawa's White Beach most frequently visited (Akahata)

ARTICLES:

(1) Poll on political situation, global warming

MAINICHI (Page 8&9) (Full)
January 6, 2008

Questions & Answers

(T = total; P = previous; M = male; F = female)

Q: It is said that the House of Representatives is highly likely to be resolved for a general election in 2008. Are you interested in the next election for the House of Representatives?

T P M F
Very interested 39 48 31
Somewhat interested 43 39 45
Not very interested 11 7 14
Not interested at all 3 3 3

Q: Which political party between the Liberal Democratic Party and the Democratic Party of Japan (Minshuto) would you like to see win in the House of Representatives election?

T P M F
LDP 33 31 34
DPJ 46 55 38
Other political parties 13 8 16

Q: In the election for the House of Representatives, 300 persons will be elected from single-seat constituencies and 180 from 11 proportional representation blocs across the nation. Which one do

TOKYO 00000035 002 OF 015

you think is important?

T P M F
Single-seat constituencies 68 74 62
Proportional representation 21 20 21

Q: What do you think is most important when you vote for candidates in the House of Representatives election?

T P M F
Personal character 15 15 15
Image 3 4 3
Career, actual results 9 8 9
Policy 51 54 49
Their political parties 11 13 9
Request from acquaintances, relatives 2 1 2

Q: What would you like elected politicians to pursue first?

T P M F
Policies for the whole nation 62 64 60
Ties with senior government officials, political party executives 4 4 4
Contribution to home constituencies 27 27 26

Q: Do you think the government has changed in nature with Prime Minister Shinzo Abe going out and Prime Minister Yasuo Fukuda coming in?

T P M F
Changed for the better 14 15 12
Changed for the worse 11 14 8
No change 68 67 69

Q: A United Nations conference on global warming was held from Dec. 3 in Bali, Indonesia. Are you interested in the issue of global warming?

T P M F
Yes 89 92 88
No 4 5 4

Q: What do you think about global warming?

T P M F

I have a strong sense of crisis 33 34 31
I have a vague feeling of anxiety 38 37 39
I believe we can overcome it 21 23 19
It's a natural phenomenon, so we don't have to worry 2 2 2

Q: It is said that global warming will have various effects. What is the matter of primary concern to you?

T P M F

Midsummer heat 7 7 8
Abnormal climate like a heavy rain 27 26 28
Water, food shortages 29 31 27
Sea level rise 16 19 13
Animal, plant extinction 12 11 12

Q: What do you do to prevent global warming? Pick only one.

TOKYO 00000035 003 OF 015

T P M F

Set moderate air conditioning 32 29 34
Turn off TV and lights when unused 22 24 21
Abstain from using a car 9 13 6
Don't ask for plastic shopping bags at stores 16 10 20
Buy energy-saving electric appliances 7 9 5
Do nothing in particular 7 10 4

Q: There is an argument calling for an environmental tax to curtail greenhouse gas emissions that cause global warming. Do you support this initiative?

T P M F

Yes 47 51 43
No 42 41 42

Q: The Kyoto Protocol, which sets greenhouse gas reduction goals, mandates Japan to cut 6 PERCENT of its CO2 emissions from 1990 levels. There is a view saying the people will need to lower their current standard of living so as to attain the goal. Can you do so?

T P M F

Yes 49 51 48
No 41 42 40

Q: What do you think Japan should do to attain its Kyoto Protocol CO2 reduction goal?

T P M F

Hold down CO2 emissions even at the sacrifice of economic growth 14 14 13
Subsidize wind- and solar-power generation 41 44 39
Subsidize afforestation 29 28 29
Buy emission credit from foreign countries 3 3 2
No need to attain the goal at any sacrifice 4 4 4

Q: It is said that atomic power generation is effective to prevent global warming. Do you support the idea of building more atomic power plants?

T P M F

Yes 39 50 29
No 50 43 56

(Note) Figures shown in percentage, rounded off. "No answer" omitted.

Polling methodology: The survey was conducted Dec. 15-16 over the telephone across the nation on a computer-aided random digit sampling (RDS) basis. Answers were obtained from 1,528 persons.

(2) Scope column: LDP's Machimura faction concentrates efforts on

strengthening capabilities by enlisting think-tank for policy proposals; building network of contacts in U.S., Europe, China; creating own website; and broadcasting its general meeting live

TOKYO SHIMBUN (Page 2) (Full)
January 3, 2008

Miyuki Ando

TOKYO 00000035 004 OF 015

The Machimura faction, the largest in the ruling Liberal Democratic Party (LDP), has decided to work on strengthening its policy-making capability this year. The faction will work together with a think-tank to come up with policy proposals. It will also send a delegation to the United States, Europe, and China. With an eye on the political situation after the next Lower House election, the faction intends to consolidate its unity and boost its presence in the party.

In its policy proposals, the subject the faction will ponder most over will be an economic growth strategy. Japan saw its per capita gross domestic product (GDP) fall in 2006 and the country is now ranked 18th in the world. Prime Minister Fukuda, as well, is troubled that Japan's nominal GDP has stayed flat for the past 10 years. The Machimura faction will draw up a reform plan to use in order to put the economy, which seems likely to stall again, back on the growth track.

Because a lack of policy measures for rural areas contributed to the LDP's suffering a devastating defeat in the last Upper House election, the faction is placing emphasis on agricultural policy.

On the question of how to manage the Diet, when the ruling bloc holds a majority in the Lower House and the opposition controls the Upper House, the faction will compile the results of discussions conducted since last fall at its policy committee. The Machimura faction intends to suggest promoting discussions between the ruling and opposition parties in a pragmatic way by using sub-committees that are free from the fetters of regular meetings.

The Machimura faction will publicize its proposals and will seek approval from other policy groups in the party.

The purpose of sending a delegation to the U.S. is to build a network of contacts with the new U.S. administration that will come in after the fall presidential election in the fall. Based on the results of the prime minister's visit to China at the end of last year, the faction, by sending its delegation to China, will strive to strengthen cooperation with the Chinese Communist Party. Its delegation to Europe plans to visit the Royal United Services Institute for Defense and Security (RUSI).

The Machimura faction will also create its own website and to post its proposals and the results of its overseas trips. Moreover, it is considering introducing a system of delivering streaming images and broadcasting live the general meeting that it holds once a week.

The Machimura faction has produced four prime ministers in succession, namely, Yoshiro Mori, Junichiro Koizumi, Shinzo Abe, and Yasuo Fukuda. It has 84 Lower and Upper House members at present and is glorying in their ascendancy. But this situation will not continue indefinitely.

The Koga and Tanigaki factions in the LDP have agreed to merge by this spring. The Yamasaki faction recently invited former Policy Research Council Chair Nobuteru Ishihara to join the faction. Ishihara is now a member of the Yamasaki faction. Former Minister of Economy, Trade and Industry Shoichi Nakagawa of the Ibuki faction organized a cross-factional study group of conservative lawmakers.

With an eye on when the next Lower House election will occur,

TOKYO 00000035 005 OF 015

factions in the LDP are becoming active. The Machimura faction intends to counter other factions by enhancing its capabilities.

(3) Next Lower House election: LDP, DPJ aiming at enemy's strong constituencies; LDP to place emphasis on organized votes, DPJ on urban areas

MAINICHI (Page 5) (Full)
January 5, 2008

A dead heat is expected in the battle between the ruling Liberal Democratic Party (LDP) and main opposition Democratic Party of Japan (DPJ or Minshuto) in the next House of Representatives election, which is expected to occur before the end of the year. The two parties are desperately trying to implant an awareness of their being in a war mode into the minds of their members and supporters by making their senior members stump nationwide. Both parties are aiming at beating the other party to the punch. The LDP is now trying to return to its past election strategy of conducting an organized election. The DPJ is placing importance on gaining support in urban areas. The two parties are already locked in battle to win votes in the Lower House election.

The LDP has been on the offensive owing to such issues as the pension record-keeping fiasco. The fact is that there is little hope that Prime Minister Yasuo Fukuda will be able to show a "strong character" that the party could use to gain support from unaffiliated voters in the next Lower House election. The LDP will be forced to carry out a defensive election in the next Lower House race, in contrast to the 2005 election in which the party won a landslide victory. Under such circumstances, the LDP has called on its members to conduct an organization-based election of the kind it used to carry out.

Election Committee Chairman Makoto Koga spent much time stumping nationwide until the end of last year because of the party's crushing defeat in the 2007 House of Councillors election when voters in the regions distanced themselves from the LDP. He attached special importance to maintaining a dialogue with construction-related associations, paving the way for a drive to increase the number of party members, centering the effort on industrial associations. This will also lead to a strategy of crushing the DPJ's policy stances. Consideration for local areas was pronounced in a draft national budget for fiscal 2008 that the ruling camp approved late last year. The tactic is to give priority to incorporating policies which the LDP thinks will be able to win the election.

Against the background of criticism that structural reforms have lost their effectiveness, the LDP increased grants to local governments for the first time in three years. It also placed emphasis on the allocation of budget money to agricultural areas. The LDP apparently intended to prevent the differences in major policies between it and the DPJ that showed up in the 2007 Upper House election from coming to the fore.

Regarding the criterion of selecting candidates, the LDP abolished in principle the slot for woman candidates to run in the proportional representation segment introduced in 2005. It also urged some of the so-called "Koizumi children," who were elected in the 2005 Lower House election from the proportional representation segment, to run in single-seat constituencies. It aims to increase

TOKYO 00000035 006 OF 015

the number of votes to be gained by creating a sense of alarm among candidates.

The DPJ, however, has adopted a strategy that would allow it to grab the reins of government in one election. Taking a serious view of its defeat in urban areas in the 2005 Upper House election, the party has come up with a strategy of focusing on urban areas in the next Lower House race, slightly correcting its policy of placing importance on rural areas that it used in the 2007 election.

At a press conference last December, Ozawa underscored:

"Gaps have grown between the urban and local areas. There is also a growing gap in incomes and employment in the urban areas. This will become a major issue in the Lower House election"

Lower House elections differ from those of the Upper House, in which the number of single seats up for grabs determines whether the party will win or lose. Ozawa's remarks indicate that expanding support in the urban areas which have many seats is the key to win the race.

The DPJ, however, is facing a challenge in the urban areas. Due to the aftereffects of the landslide defeat in the 2005 Lower House polls, there remain many single-seat constituencies in which the DPJ has been unable to field candidates. Although Ozawa took the initiative in coordinating, he failed to resolve the situation.

The DPJ is having trouble cooperating with the Social Democratic Party and People's New Party in 25 to 30 constituencies in the election. It had planned to end coordination by the end of last year, but there is no electoral district in which the DPJ has agreed with the SDP and PNP on election cooperation.

(4) Eco-war: Japan hard-pressured to come up with measures against climate change

ASAHI (Page 3) (Abridged)
January 6, 2008

Shinnji Inada and Naoki Shoji

Climate change will be addressed as a major subject in the Group of Eight (G-8) summit conference in Lake Toya, Hokkaido, slated for this summer. In the 13th Conference of the Parties (COP13) to the United Nations Framework Convention on Climate Change (UNFCCC) in Bali, Indonesia in December, Japan was severely criticized for its irresolute attitude. In his New Year's press conference, Prime Minister Fukuda declared that he would attach importance to the environmental problem as well as reform of the pension system. Can Japan redress its bad reputation heard in Bali?

Prime Minister Fukuda follows his predecessor-developed "Cool Earth 50"

The Fukuda administration has been since the beginning of the year demonstrating its proactive stance toward the environmental issue. The basis for his approach against global warming is "Cool Earth 50," a long-term vision hammered out by his predecessor Abe administration.

At one point Japan appeared to move forward under its slogan "Cool Earth," but its measures against climate change have been drifting

TOKYO 00000035 007 OF 015

now, being put behind the question of whether to resume the Self-Defense Forces' (SDF) refueling mission in the Indian Ocean and the defense interests-related scandal.

In Japan, business leaders and the Ministry of Economy, Trade and Industry (METI) are opposing any idea to put a strict limit to corporate activities. METI's rollback began at the end of last November at a meeting of a joint session between the Ministry of Environment (MOE) and METI, where both ministries discussed a domestic-emissions trading system and a green tax.

Attention was paid to which of the two ministries would assume the role of summing up the session after the discussion. The two ministries are wide apart (over measures against climate change), so which of the two would play that role could have suggested a direction Japan would head for in dealing with global warming. It was MOE's turn to sum up the discussion, but METI strongly asked MOE to change places. As a result, both ministries decided, though unusually, to sum up the discussion together. Tohoku University Prof. Junsen Asuka, who attended the session, noted: "At a time when the decision was made that both ministries would sum up the session together, I thought Japan decided to put off a conclusion (about its measures against climate change)."

The confrontation between the two ministries also affects Japan's diplomatic strategy. Prior to the COP13 conference in Bali in December, relevant ministries and agencies formed Japan's policy line to deal with the post-Kyoto Protocol age.

A proposal Japan submitted to the Climate Change Secretariat gives the highest priority to establishing a working group which major emitters of greenhouse gases take part in. The proposal makes it ambiguous, however, what Japan would do to reduce the total emissions of carbon dioxide (CO2), an aspect that has encountered strong opposition from economic circles. A senior MOE official said, "High on agenda in the Bali conference was a roadmap, so whatever was written in the proposal other than that would not be discussed." A senior Foreign Ministry official made this comment: "At a time when we are making efforts to bring the United States and China, which do not like setting numerical targets, into the discussions, it is not a good idea for Japan to mention numerical targets." A head-on confrontation between MOE and METI was avoided thanks to various concessions and speculations. In the meantime, there was no sign that the Prime Minister's Official Resident (Kantei) had intervened to come up with a proposal overcoming ministerial interests.

Business leaders are also making requests about climate change. In early December, the Japan Business Federation's (Nippon Keidanren) Chairman Fujio Mitarai met with Environment Minister Kamoshita and others before they headed for Bali and warned them: "If irrational restrictions on the total emission of greenhouse gases are set like the Kyoto Protocol did, Japan would be certain to suffer a weakening of its international competitiveness."

At the Bali conference, Japan's proposal came under criticism more than expected because of its vagueness. Environmental non-governmental organizations reacted sensitively to Japan's move with one NGO member arguing, "Japan, which produced the Kyoto Protocol featured by setting total reductions of greenhouse gases country by country, is now going to throw away the protocol."

TOKYO 00000035 008 OF 015

Hironori Hamanaka, chair of the Institute for Global Environmental Strategies' Board of Directors who had been involved in global warming negotiations for many years, sensed the mood of the Bali conference by saying: "I think it has become considerably difficult for Japan to restore its image."

Setting numerical targets imperative for Japan after suffering "Bali shock"

Coming under heavy fire in the Bali conference, Japan turned around its previous position suddenly at the end of December.

On Dec. 27, a meeting of four cabinet members was held to discuss Japan's international strategy against climate change. Prime Minister Fukuda plans to attend the World Economic Forum in Davos, Switzerland, slated for late January and address the forum about Japan's basic position toward the G-8 summit in Lake Toya.

In the cabinet ministerial session, Environment Minister Kamoshita held up an English language daily issued in Indonesia. The daily carried the big pictures of the faces of Prime Minister Fukuda, U.S. President Bush, and Canadian Prime Minister Harper with the caption reading, "No targets -- Just global disaster coming soon. The world should not give in." This was a full-page ad placed by an environmental NGO.

"Japan is regarded by the rest of the world as a force of resistance, but is this all right?" asked Kamoshita. In response, Chief Cabinet Secretary Machimura suggested, "How about setting Japan's numerical targets for cutting emissions of greenhouse gases?" Machimura was given support from Foreign Minister Kouchi. METI Minister Amari, who was reluctant to set numerical targets, left the conference room without making his position clear.

The Kantei then came round to the thinking that Japan should work

out its mid-term goal. Around then, Fukuda appointed former Nippon Keidanren Chairman Hiroshi Okuda, advisor to Toyota Motor, as a special advisor to the Cabinet, anticipating Okuda would play the role of urging other business leaders to change their minds.

Meanwhile, the major opposition Democratic Party of Japan (DPJ) began preparations to send its President Ozawa to the World Economic Forum and display its measures against climate change to world leaders. The DPJ is ready to put forward a bill intended to set up a headquarters to deal with global warming shortly and present a bill aimed at establishing a domestic emissions trading system. Its Deputy Policy Research Council Chairman Tetsuro Fukuyama said, "Now is the right opportunity for us to make (the environmental issue) a campaign issue in the next general election." The DPJ's offensive is also irritating the government and the ruling parties.

On Jan. 4, Fukuda held his New Year press conference, in which he described the global warming issue as a "task that can't wait."

The cabinet made a sudden about-face and began emphasizing the environmental issue. This has perplexed government officials with one high-level official noting: "If the cabinet sets an unattainable target as a result of being overly conscious of climate change, it could assume a risk in the upcoming G-8 summit."

(5) Farm produce growing areas could change drastically nationwide due to global warming: Agriculture ministry to speed up studies on

TOKYO 00000035 009 OF 015

countermeasures; Tangerines go off more quickly while in storage; Vegetable prices collapse due to concentrated shipment time

TOKYO SHIMBUN (Page 3) (Full)
January 7, 2008

The National Agriculture & Food Research Organization (NARO located in Tsukuba City, Ibaraki Prefecture) conducted a nationwide survey from 2003 through 2005 on the impact of global warming on fruit, vegetable and rice farming in Japan. The survey confirmed poor color development of grapes and apples and a decline in rice quality nationwide.

The opinion survey was conducted to sample views of public agricultural research organs throughout the nation on the impact of global warming.

Respondents in all of 47 prefectures answered that there are experiencing the impact of global warming in terms of growth and development, crop yields, quality, or pests and diseases. Global warming affected vegetables, flowers and ornamental plants in 90 PERCENT of the prefectures and rice in 70 PERCENT of the prefectures.

Regarding a major impact on fruits, Toshihiko Sugiura, senior researcher at NARO, said, "Unlike vegetables and rice, which are planted each year, fruits are harvested from the same trees for many years. It is, therefore, not possible to adjust the time for planting. Coming up with measures for fruit cultivation is of urgent necessity."

As concrete effects of global warming, the survey respondents cited increased cases of poor color development of apples, grapes and tangerines, which is ascribable to higher night temperatures, sunburn caused by high temperature on the surface of fruits and the softening of fruits due to overripening.

Respondents also cited an increased case of vegetables and fruits budding and flowering earlier and suffering from damage of frost caused by the recurrence of cold. It is also noteworthy that pear trees are not leafing out or flowering in the spring, because they were not exposed to low temperatures in the winter because of the warm weather.

Shizuoka Prefecture, a tangerine-producing area, has adopted a sales strategy of shipping tangerines for a long period of time from the turn of the year through March, by storing harvested products.

However, the quality of stored tangerines reportedly deteriorates more quickly than before due to global warming. The early ripening phenomenon seen among vegetables is affecting the sales of the products, disabling a relay shipment system of each production area staggering the time for shipments. As a result, concentrated shipments are reportedly collapsing shipments. There is also a vacuum period when there are no products on store shelves.

As cases of the impact of global warming on rice farming, there are white immature grains with deteriorated quality and split grains. Both grains are the results of excessively high temperature when ears of rice plants grow. Though causal correlation has yet to be proved, there is an increase in spotted rice grains with ears of rice eaten by increased number of shield bugs.

TOKYO 00000035 010 OF 015

The Ministry of Agriculture, Forestry and Fisheries (MAFF) also carried out as of last year a survey of prefectures on the impact of global warming on agriculture and obtained similar results.

MAFF also ran a simulation on the moving of areas suitable for fruit cultivation according to the advancing of global warming. According to the simulation, areas suitable for growing apples and mandarin oranges would move north. Temperatures in areas that are currently suitable for growing those fruits would rise too high, changing the map of major growing areas. The MAFF simulation also projected that if national average temperature goes up 3 degrees centigrade in the 2060s, harvest yields of rice in Hokkaido would increase 13 PERCENT, while those in areas south of the Tohoku region would drop by between 8 PERCENT -15 PERCENT.

Following such survey results, MAFF will map out measures to deal with impacts that are seen now. At the same time, it intends to release a policy of strengthening studies on mid- to long-term measures with the aim of giving a boost to efforts to accelerate global warming preventive measures.

(6) Japan-U.S. defense interests (Part B)

SENTAKU (Pp. 110-113) (Almost full)
January 2008 issue

Kyuma's betrayal over Futenma replacement facility

As seen in the case of Armitage Associates, Yamada Corp.'s Miyazaki made tremendous efforts to build his channels of communication to U.S. lobbyists. Miyazaki frequently traveled to the United States to have business lunches with several lobbyists. Meanwhile, Miyazaki's friend, Naoki Akiyama, a director of the Japan-U.S. Center for Peace and Cultural Exchange, also successfully gained access to some U.S. Representatives and Senators. His connections also turned into Miyazaki's ammunition. Needless to say that in order for Yamada to become General Electric's exclusive agency and gain intimate access to the then Defense Agency by beating other giant corporations, it needed every connection to influential U.S. figures it could get.

Last fall, a group of ten prosecutors and administrative officials from the special investigation squad of the Tokyo District Public Prosecutors Office flew to Okinawa on a special mission. Their aim was to look into the project to build a replacement facility for Futenma Air Station in which it had been decided that the relocation site would be along the coast in the Henoko district of Nago City. The project, having attracted the attention of political and business circles in Japan and the U.S., has now become a carbon copy of the "Guam interests" model.

In 1996 during the administration of Prime Minister Hashimoto, Tokyo and Washington reached an agreement to return Futenma Air Station to Japan. The event was lauded as the greatest achievement since the reversion of Okinawa. In 1997, the government drew up a plan to construct as Futenma's replacement facility a heliport at Camp Schwab with a 1,300-meter runway.

Recalling those days, a source connected with the Defense Ministry said: "Around that time, general contractors and trading companies

vied fiercely to join the project, making contacts with defense officials." Because major steel companies, shipbuilders, and general contractors in Tokyo, such as Nippon Steel Corp., came forward, and

TOKYO 00000035 011 OF 015

Nissho Iwai Corp. (currently Sojitz) served as the coordinator, many local companies reacted fiercely, saying, "Are the Tokyo-based firms going to monopolize interests in Okinawa?"

At that point, Bechtel stepped in. Bechtel wanted to be the company to build an airport on reclaimed land off Camp Schwab by teaming with up with Kokuba Gumi Co., Okinawa's largest construction company, and enlisting the general trading house Itochu to serve as the coordinator. Bechtel secretly prepared an airport development plan in 1998. Two runways were shown on the plan combining an aerial photograph with computer graphics. It was a prototype of the V-shaped pair of runways.

An Okinawa prefectural assemblyman noted:

"When Bechtel held a briefing session for Okinawa assemblymen, former Secretary of Defense William Perry also came all the way to promote the Bechtel plan. That really surprised us. Because the reclaimed land plan would benefit local gravel suppliers, the Okinawa side, including Governor Keiichi Inamine, started calling for reclamation."

After many twists and turns, then Vice Defense Minister Moriya in 2005 introduced a ground-based plan. The design would have the runway built at Camp Schwab.

A Defense Ministry source explained:

"Building a runway at Camp Schwab would not benefit Bechtel very much, so the U.S. side fiercely opposed it. In the end, an agreement was reached to reclaim land off Camp Schwab."

In 2006, Mayor Yoshikazu Shimabukuro of Nago, the relocation site for Futenma Air Station, and Higashi Kaihatsu and other local businesses poured cold water on the government's Camp Schwab coastal plan, coming up with an offshore plan to build runways two kilometers off the coast.

A local assembly man said:

"Realizing the loss of steam of the Keiseikai in the Liberal Democratic Party under the Koizumi administration, local business circles after much thought made huge donations to LDP lawmaker Taku Yamasaki, a defense policy specialist, in the hope that he would apply pressure on his close friend, Prime Minister Koizumi."

But their plan fell through, and the government eventually adopted a plan to build a V-shaped pair of runways based on the coastal plan.

The local assemblyman also added:

"But in January 2007, Defense Minister Kyuma raised an objection to the government plan, saying, 'I think building a single runway will suffice.' Kyuma thus began siding with local business circles that were fixated on the offshore plan. Extremely irritated by Kyuma's attitude, Moriya who wanted to steamroll the government plan ordered the Intelligence Service Command to uncover Kyuma's secret meeting with local business leaders."

"Do not add fuel to the Yamada scandal"

Kyuma stands at the head of defense interests associated with U.S.

TOKYO 00000035 012 OF 015

force realignment. Under his wing are local assemblymen, as exemplified by House of Representatives member Mikio Shimoji. They have been scurrying around trying to bring those interests to Okinawa.

In early November 2007, shortly before Motonobu Miyazaki was arrested, U.S. Secretary of Defense Robert Gates visited Japan to urge Prime Minister Yasuo Fukuda and government leaders to swiftly resume Japan's refueling operation in the Indian Ocean and implement the U.S. force realignment plan. Showing up at a Tokyo hotel around the same timeframe was former Defense Secretary William Cohen and defense adviser William Schneider. They attended the Japan-US Security Strategy Conference, chaired by Naoki Akiyama. The conference also brought together executives of major defense companies, such as Mitsubishi Heavy Industries, Boeing, and Lockheed.

Former Defense Minister Kyuma also delivered a videotaped message underlining the need to discuss essential defense issues without being bound by trivial matters. The gathering of Japanese and U.S. defense officials at that particular timeframe was not coincidental but to send a clear message to Japanese prosecutors not to add fuel to the Yamada scandal.

The Lockheed scandal, which was originally a bribery case over defense interests over the P3C antisubmarine patrol aircraft, was replaced by interests over ANA commercial planes. The Douglas-Grumman scandal came to a deadlock before sticking the knife into Nissho Iwai and the defense industry. The U.S. defense industry is untouchable, and any attempt to touch it would result in the arrest of even prime minister on trumped up charges. The expiration of the tenure of Hiroaki Yagi as chief of the special investigation squad is approaching. Even the Lockheed scandal failed to shed light on the dark side of Japan-U.S. defense interests. The road ahead is fairly steep.

(7) Next midterm defense buildup plan to be frontloaded

NIKKEI (Page 2) (Full)
January 6, 2008

The government and ruling parties are looking into the feasibility of discontinuing Japan's current midterm defense buildup plan in its final fiscal year to frontload the next-term defense buildup plan one year earlier than scheduled. The current midterm defense buildup plan is set for a period of five fiscal years up to 2009. However, the Defense Ministry was involved in scandals over its procurement of equipment for the Self-Defense Forces. The government and ruling coalition judged that such events marred the current midterm defense buildup plan's reliability. The government, now reviewing the Defense Ministry's procurement system, will set about working out the new defense buildup plan at an early date. The government was expected to decide under the current plan to introduce the follow-on mainstay fighter plane (FX) model for the Air Self-Defense Force. FX introduction will be rescheduled under the next-term defense buildup plan.

A midterm defense buildup plan caps Japan's defense spending for a period of five fiscal years, and it specifies procurement plans for each new five-year period. This planning formula was introduced in fiscal 1986. Each midterm defense buildup plan is based on the National Defense Program Guidelines (NDPG), which was formerly known

TOKYO 00000035 013 OF 015

as the National Defense Program Outline or NDPO for short.

The current midterm defense buildup plan (for fiscal 2005-2009) was adopted in a cabinet decision of December 2004. Its spending totals approximately 24.24 trillion yen, incorporating a plan to introduce a missile defense (MD) system, such as enhancing the capability of Aegis-equipped ships, and a plan to introduce the FX model.

The midterm defense buildup planning formula is also meant to ratchet defense spending. Last year, however, a defense contractor's bill-padding practices were brought to light. On Jan. 4, Akihiro Ota, who heads New Komeito, the ruling Liberal Democratic Party's coalition partner, said the government should basically abolish occasional contracts. In addition, Ota also suggested the need for the government to check defense contractors' overestimates.

The government set up a panel at the prime minister's office for an

overhaul of the Defense Ministry. This panel is studying a new procurement system, including the option of making a package purchase of defense equipment. "It's a consensus of the government and the ruling parties to have an improvement plan reflected in the next-term defense buildup plan," a senior Defense Ministry official said yesterday.

The panel will come up with an interim report in February. Based on the interim report, the Defense Ministry will create the next-term defense buildup plan for fiscal 2009-2013, starting in April. The government is expected to make a cabinet decision in December this year to adopt the new midterm defense buildup plan. The government will likely retrench the new defense buildup plan's total cost in an aim to emphasize a reform of the Defense Ministry.

The Ground Self-Defense Force looked to introduce the AH-64D Apache as its mainstay combat helicopter model. However, the United States has now discontinued its production. The Defense Ministry will therefore have to reduce the number of new choppers to be procured for the GSDF under the current midterm defense buildup plan. This is also one of the reasons why the new defense buildup plan will be moved up one year earlier than scheduled.

Meanwhile, the ASDF currently has about 90 F-4 fighter planes. These ASDF F-4 fighters, however, are now superannuated. The Defense Ministry has plans to replace the F-4s with the FX model. The current midterm defense buildup plan specifies a plan to introduce the first seven FX-model jets. The ASDF is interested in the F-22 Raptor, a U.S.-developed state-of-the-art stealth fighter jet model, as a likely FX candidate. However, the United States embargoes the F-22. The Defense Ministry's FX selection is therefore facing rough going.

The Defense Ministry will now push back FX introduction under the next-term defense buildup plan. Instead, the Defense Ministry would like to introduce more than seven FX-model fighters under the next-term defense buildup plan. This FX introduction will likely be controversial in connection with financial circumstances.

(8) U.S. nuclear-powered submarines made 48 port calls in Japan in 2007; Okinawa's White Beach most frequently visited

AKAHATA (Page 4) (Full)
January 6, 2008

TOKYO 00000035 014 OF 015

In 2007, 12 U.S. Navy attack nuclear-powered submarines made 48 calls at Japanese ports in 2007, according to statistics by local governments hosting such ports. Above all, White Beach in the city of Uruma in Okinawa Prefecture topped the list with a record 24 port calls (an increase of eight from the year 2006). The number of calls at the Yokosuka base in Kanagawa prefecture dropped by one from the year 2006 to 13 calls, and the Sasebo base in Nagasaki Prefecture also dipped by five to 11 visits. Although the number of ships declined by four as a whole, the number of calls increased by two, hovering around the 50 level over the last several years.

In September 2006, radiation was detected in waters off Yokosuka as the USS Honolulu left the port, resulting in a serious problem. It was also found in October 2007 that the USS Hampton that entered Yokosuka and White Beach had faked data to conceal the fact that it failed to conduct a daily examination of radioactive substances for a month during its seven-month western Pacific cruise, exposing its extremely sloppy safety management.

It has also become clear through a declassified U.S. government document obtained by international affairs researcher Shoji Niihara that the governments of Japan and the United States concluded a secret pact in 1971 not to monitor radioactive contamination in the

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air within 50 meters of U.S. Navy nuclear-powered submarines when they enter Japanese ports.

Planning to deploy the nuclear-powered aircraft carrier George

Washington to Yokosuka in 2008, the U.S. government and the U.S. Navy have played up the safety of nuclear-powered ships. But their assertion has now been proven groundless.

The bow of the nuclear-powered Newport News also hit Kawasaki Kisen Co.'s oil tanker Mogamigawa in the Strait of Hormuz in the Arabian Sea in January 2007.

The move to realize the U.S. Defense Department's strategy (Quadrennial Defense Review established in February 2006) of deploying 60 PERCENT of the U.S. submarines in the Pacific for securing its interests progressed smoothly in 2007, and Japan is now an important base for it.

The Seawolf class attack nuclear-powered submarines Seawolf and the Connecticut were transferred from the Atlantic Fleet to the Pacific Fleet in 2007. The Connecticut that entered a Japanese port in November took part in a large joint exercise with the Maritime Self-Defense Force. The Hampton has also been assigned from the Atlantic Fleet to the Pacific Fleet. The Atlantic Fleet-based Providence has also repeatedly made port calls in Japan.

In many cases, U.S. submarines visited Sasebo and White Beach for less than one hour, and that trend continued in 2007 as well. In fact, of the 10 calls at Sasebo, five calls lasted less than one hour (additionally, one visit marked 71 minutes) and of the 24 calls at White Beach, 17 were shorter than one hour.

Duties of U.S. attack nuclear-powered submarines include ground attacks with cruise missiles, antisubmarine and anti-surface warfare, injecting and collecting special operations troops, intelligence, surveillance, and reconnaissance activities. U.S. submarines seem to make short port calls to transport special operations troops and reconnaissance units and transmitting monitored signals, in addition to replenishing supplies.

TOKYO 00000035 015 OF 015

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